

001

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

## APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

## 1a. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

## b. TYPE OF WELL

OIL WELL ☒ GAS WELL ☐ OTHER ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☒

## 2. NAME OF OPERATOR

QUINEX ENERGY CORPORATION

## 3. ADDRESS OF OPERATOR

465 SOUTH 200 WEST, SUITE 300, BOUNTIFUL, UTAH 84010

## 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*

At surface

563' FNL 832' FWL SECTION 23, T 9 S, R 17 E 40.022 148

At proposed prod. zone NW NW SECTION 23 587065X - 109.979726  
SAME AS ABOVE 4430564y

## 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

16 MILES SOUTH OF MYTON, DUCHESNE COUNTY, UTAH

## 15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drlg. unit line, if any)

488'

## 16. NO. OF ACRES IN LEASE

1800

17. NO. OF ACRES ASSIGNED  
TO THIS WELL.

40

18. DISTANCE FROM PROPOSED LOCATION\*  
TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

1417'

## 19. PROPOSED DEPTH

5700'

## 20. ROTARY OR CABLE TOOLS

ROTARY

## 21. ELEVATIONS (Show whether DF, RT, GR, etc.)

5192' GR

## 22. APPROX. DATE WORK WILL START\*

10/1/05

## 23.

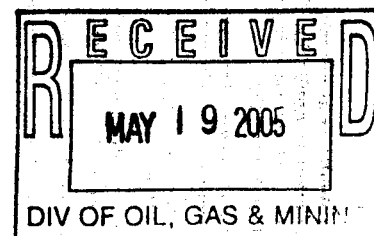
## PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4	8 5/8"	24#	300'	200 SKS
7 5/8	5 1/2"	15.5#	5700'	400 SKS

LOCATION IS MOVED EAST TO SATISFY TOPOGRAPHY RIDGE &amp; DRAINAGE.

DRILL NEW HOLE TO 5700'.

NO INFORMATION WILL BE PROVIDED WHEN DRILLING RIG IS SELECTED.



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED De. Trust InouéTITLE PRESIDENT/QUINEX ENERGY CO. DATE 5/19/05

(This space for Federal or State office use)

PERMIT NO. 43-013-32786

APPROVAL DATE

APPROVED BY Bradley G. HillTITLE BRADLEY G. HILL  
ENVIRONMENTAL SCIENTIST IIIDATE 05-23-05

\*See Instructions On Reverse Side

Federal Approval of this  
Action is Necessary

T9S, R17E, S.L.B.&M.

1910 Brass Cap,  
1.0' High, Pile of  
Stones

N89°56'34"W - 2643.64' (Meas.)

S89°59'E - 2641.98' (G.L.O.)

Brass Cap,  
1.0' High, Pile  
of Stones

832'

JODIE FEDERAL #1-23

Elev. Ungraded Ground = 5192'

N00°01'29"E - 2641.01' (Meas.)

N00°02'55"E - 2640.04' (Meas.)

1910 Brass Cap,  
1.0' High

DUCHESNE CO.  
UINTAH CO.

23

N00°01'W - 5280.00' (G.L.O.)

1910 Brass Cap,  
1.5' High, Steel  
Post

Brass Cap,  
1.0' High, Steel  
Post

N89°58'57"W - 2643.64' (Meas.)

N89°59'E - 2641.32' (G.L.O.)

### BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

(AUTONOMOUS NAD 83)

LATITUDE = 40°01'19.71" (40.022142)

LONGITUDE = 109°58'49.15" (109.980319)

(AUTONOMOUS NAD 27)

LATITUDE = 40°01'19.84" (40.022178)

LONGITUDE = 109°58'46.62" (109.979617)

### LEGEND:

└─┘ = 90° SYMBOL

● = PROPOSED WELL HEAD.

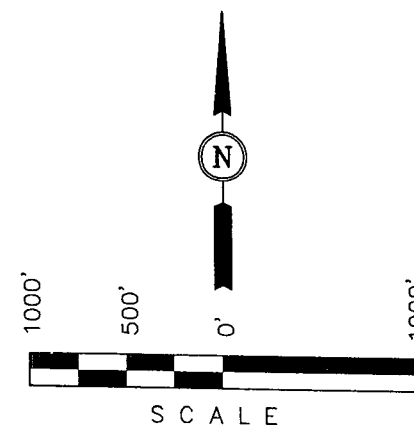
▲ = SECTION CORNERS LOCATED.

## QUINEX ENERGY CORP.

Well location, JODIE FEDERAL #1-23, located as shown in the NW 1/4 NW 1/4 of Section 23, T9S, R17E, S.L.B.&M. Duchesne County, Utah.

### BASIS OF ELEVATION

SPOT ELEVATION LOCATED AT THE NORTHWEST CORNER OF SECTION 23, T9S, R17E, S.L.B.&M. TAKEN FROM THE PARIETTE DRAW SW, QUADRANGLE, UTAH, 7.5 MINUTE QUAD (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5198 FEET.



### CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

*Robert H. Kay*  
REGISTERED LAND SURVEYOR  
REGISTRATION NO. 161319  
STATE OF UTAH

**UINTAH ENGINEERING & LAND SURVEYING**  
85 SOUTH 200 EAST - VERNAL, UTAH 84078  
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 3-25-05	DATE DRAWN: 4-12-05
PARTY A.F. B.G. K.G.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE QUINEX ENERGY CORP.	

**EIGHT POINT PLAN****QUINEX ENERGY JODIE FEDERAL \*1-23**

NW, NW, SECTION 23, T9S, R17 E

563' FNL, 832' FWL Section 23

DUCHESNE COUNTY, UTAH

Elevation GR- 5,192'

**1 & 2. ESTIMATED TOPS, & ANTICIPATED OIL, GAS & WATER ZONES**

<u>FORMATION</u>	<u>DEPTH</u>	<u>TYPE ZONES</u>	<u>MAX. PRESSURE</u>
Uinta Fm.	Surface	Fresh Water	
Green River Fm.	2700'	Oil & Gas	2500#
EST. TD	5700'	Anticipated BHP	2000#

**3. PRESSURE CONTROL EQUIPMENT**

. BOP Schematic Diagram attached

**4. CASING PROGRAM:**

<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>LENGTH</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSL.</u>
12 1/4"	0-300'	300'	8 5/8"	24#	J-55	P&C	2890#	4410#	526
7 5/8"	0-5700'	5700'	5 1/2"	15.5#	P110	P&C	7460#	7460#	558

All casing will be new or inspected.

**5. MUD PROGRAM:**

<u>INTERVAL</u>	<u>MUD TYPE</u>	
0-5700'	WATERGEL	8.5#
as needed	LOW SOLIDS	9.5#

Lost circulation zones are not anticipated.

Sufficient mud inventory will be maintained on location during drilling to handle any adverse conditions that may arise.

**6. VARIANCE REQUESTS:**

Location is moved from center of 40 acres block to conform to drainage and ridge.

**7. EVALUATION PROGRAM:**

Logs : SCHLUMBERGER WIRELINE:

DIL-SFL

Mudlog

CNL-FDC

FW SONIC

## **EIGHT POINT PLAN**

**QUINEX ENERGY JODIE FEDERAL1-23**

**NW/NW, SECTION 12, T4S, R2W 17E**

**DUCHESNE COUNTY, UTAH**

Additional logs as needed to evaluate formation 6000-TD.

Cores: None Programmed

DST's None Programmed

Completion: To be submitted at a later date.

**8. ABNORMAL CONDITIONS:**

None anticipated.

**9. STANDARD REQUIRED EQUIPMENT:**

Choke Manifold

Gas Buster

Visual Mud Monitoring

**10. HAZARDOUS CHEMICALS:**

No chemicals subject to reporting under SARA Title III in an amount to or greater than 8,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

**THIRTEEN POINT PLAN**  
**Quinex Energy**  
**JODIE Federal #1-23**  
**NW,NW Section 23, T 9 S, R 17 E**  
**563' FNL, 832' FWL Section 23**

**GENERAL Requirements for working on Bureau of Land Management Lands**

1. Cultural resources are not expected to be disturbed, see attached report from Sagebrush Consultants, L.L.C.
  2. The area is grassland with minor sagebrush and other desert vegetation.
1. **Existing Roads** - See Location Map.
- A. Wellsite: 563 FNL, 832' FWL, (NW, NW Section 23) T9S R17W S.L.B.& M.
  - B. Travel 1.5 mile east of Myton, Utah on US 40 and turn south (left) on graded road for 3.1 miles, turn left 11.2 miles on road leading to the old Castle Peak Mine. Turn right on the graded road 3.7 miles to Snyder Springs. Turn southwest for 1.5 miles then northeast 0.3 miles on graded road then left (north) 0.3 miles on existing un-graded track to Fed #4-23 and continue north 0.45 miles to Fed #2-23. New road continues north across drainage following ungraded tract 0.5 miles to location. See attached map.
  - C. Roads: Existing County roads are on graded roads. The road north of the Fed #2-23 0.3 miles leg is on un-graded track.
  - D. Other existing roads as marked on Topo map.
  - E. Existing roads will be maintained by the county. The new access road to the JODIE Federal #1-23 well will be upgraded to BLM specifications and will be maintained as required, for all weather use, by the operator. (See engineer survey plat.)
2. **General:**
- (1) The Vernal District BLM will be notified 48 hours prior to commencing work on BLM controlled lands.
  - (2) A steel pipe with brass cap is present 1986' south and 662' west of the proposed well site at the SW corner of Section 23.
  - (3) The dirt contractor will be furnished a copy of this Surface Use Plan,

along with any additional BLM stipulations, prior to the work.

- (4) Trees: There are no trees on the access route or location.
- (5) All artifacts found on Federal Lands shall be left in place and the BLM promptly notified.
- (6) The top 6 inches of topsoil will be removed and stockpiled on The NW corner of the location.
- (7) The reserve pit will be lined with native clay materials and water-proofed.

**B. Planned Access Roads:**

0.3 miles of upgraded access road and 0.95 miles of new road will be required. An alternate route exits Snyder Springs road 2.3 miles from Castle Peak Mine to left (east) on graded road for 2.5 miles then right (south) 0.4 mile on graded road. Access then continues south across low ridge 0.3 on un-graded track to wellsite. The subject road will be built to BLM specifications (from 6, p. 26, "Surface Operating Standards for Oil and Gas Exploration and Development") as follows:

- (1) Width: 170' at crown:  
Total disturbed Width 270'.
- (2) Maximum Grades: 1.5° Maximum.
- (3) Turnouts: See Survey Map.
- (4) Drainage: Borrow pit on east side.
- (5) Culverts:
  - a. None expected but 18" if needed.
- (6) Surface material: The new road surface will be covered with 6 inches of roadbase and 2" inches of 1 ½" gravel topping as required for traction and erosion control.
- (7) Gates/Cattle-guards:  
No fences will be crossed from county road to location of #2-23 well.

**3. Location of Existing Wells:**

10 Wells within one mile radius:

- (1) Water wells: None
- (2) Abandoned Oil Wells: 1 NE, SW 23

- (3) Temporarily Abandoned Wells: None
- (4) Disposal Wells: None
- (5) Drilling Wells: None ?
- (6) Producing Wells: 6 wells existing wells within 1 mile radius:  
Newfield NGC 24-15H ( SE,SW 15), Newfield S. Pleasant  
Valley 10-15-9-17 (NW,SE 15), Newfield Fed 44-14Y (NW,SE  
14), Newfield S. Pleasant Valley Fed 6-15-9-17 (SE,NW 15)  
Newfield S. Pleasant Valley 2-22-9-17 (NW,NE 22) and  
Newfield Pleasant Valley Fed 4-22 (NW,NW 22)
- (7) Shut in wells: None
- (8) Injection Wells: 4 wells. Newfield (SW,SE 15, NE,SW 15,  
SW,SW 15 and NE,NW) 22.
- (9) Monitoring Wells: None

**4. Location of Existing and/or Proposed Facilities: - See Wellsite Plat.**

**A. Within 1-mile radius of location, existing facilities owned or operated by lessee/operator.**

- (1) Tank Batteries : Same as 6 above.
- (2) Production Facilities: Same as above.
- (3) Oil Gathering Lines : None
- (4) Gas Gathering Lines: Newfield Oil & Gas
- (5) Injection Lines: None
- (6) Disposal Lines : None

**B. New Facilities Contemplated:**

- (1) Off Well Pad: A gas line tie-in to Newfield Oil & Gas Gathering and Electric tie-in to Moon Lake Electric are anticipated. Agreements with Newfield and Moon Lake will be executed prior to completion. Archeological Survey attached.
- (2) Well Pad Dimensions: Refer Rig Layout Plat.
- (3) Construction Methods: Tanks are to be welded. Battery grade will be less than 3' above well pad grade. All equipment will be painted medium sand brown.
- (4) Protective Measures: There will be no open vessels or permanent
- (5) storage of fluids in open pits. Storage Tanks will be diked to provide emergency containment of a potential tank failure.

**C. Location and Type of Water Supply**

**A. Water Source:**

Approximately ten acre-feet of water will be required to drill and complete the well. Water is to be pumped or hauled by Tu and Frum Trucking Inc. David Murray from the Green River in Section 20, T. 11 S. R.18 E. . Water rights #49-2188 were obtained, see State Engineer's water application attached with the APD.

- B. Transportation: Water will be trucked by Tu and Frum Inc. Oil will be trucked by MC Oil, West Bountiful, Utah.
- C. Water Well: None Proposed.

6. Source of Construction Materials:

- A. Source: Materials from cuts will be used in fills. No additional requirements are anticipated.
- B. Ownership: The access road and location are on BLM Land.
- C. Outside Materials: Road-base will be obtained from commercial gravel pits in the Roosevelt, Utah area.
- D. Access: No additional access roads will be required excepting the proposed road to the location from the graded field road. (See plat above).

7. Methods of Handling Waste Disposal

Disposal will be handled as follows:

- (1) Cuttings : Drill cuttings are to be buried in the reserve pit.
- (2) Drilling Fluids: Drilling fluids are to be removed to a commercial disposal pit within 90 days of completion.
- (3) Produced Fluids: Produced oil will be sold to an authorized oil buyer. Produced water will be hauled to an authorized disposal.
- (4) Sewage: Chemical Toilets will be provided for the drilling crew.
- (5) Trash and Garbage: Trash will be accumulated in a wire mesh receptacle and hauled to a sanitary landfill.
- (6) Post Drilling cleanup: After drilling operations cease, the access road and location will be cleaned up and graded. The reserve pit



will be covered and re-seeded to BLM specifications within 90 days.

**8. Ancillary Facilities**

No camp facilities are planned or required.

**9. Wellsite layout : see attached Wellsite Plat.**

(1) Cross Sections: Provided with plat.

(2) Equipment Layout: Provided on plat.

(3) Rig Orientation: Provided on plat.

(4) Pits: All pits are to be sealed.

**10. Plans for Restoration of Surface.**

Upon completion of drilling operations, the location is to be restored as follows.

(1) Initial Cleanup: Location and surrounding area are to be cleaned of all debris resulting from the drilling operation. All trash is to be hauled to a local sanitary landfill.

(2) Vernal BLM will be notified 48 hours prior to any surface restoration requiring earth moving equipment, and upon completion of the work.

(3) Topography: Within ninety days of completion (weather permitting) the well, the reserve pit is to be dried, filled and re-contoured to original shape. All spoil material is to be buried a minimum of five feet deep. All trash will be removed prior to burial. All disturbed areas, not required for continued operations, are to be re-contoured to original shape.

(4) Stockpiled topsoil will be evenly distributed back over reclaimed areas.

(5) Re-vegetation: Reclaimed areas will be scarified and seeded by broadcasting or drilling, per BLM recommendations.

(6) Unused areas will be blocked from vehicular access.

(8) Oil on pits: Any oil on the pits will be removed to a commercial disposal when rig is released.

- (9) **Timetable:** Reserve pit is to be reclaimed within 90 days of completion date. Other areas will be reclaimed within six months of discontinued use.

## **11. Other Information**

**A. Ownership and Right-of-ways:**

Both the surface and minerals are owned by the Federal Government. Right-of ways for road, location, gas gathering lines, and power lines will be requested from the BLM.

**B. General Description of Area:**

- (1) **Topography:** Semi-arid with sagebrush and desert vegetation. No irrigation.
- (2) **Surface Use Activity:** The surface is presently used for cattle grazing.
- (3) **Water, Dwellings, Archeology:** Water will be trucked to the location, on existing roads. There are no dwellings within ½ mile. No archeological sites are on wellsite or access road. Archeological survey is completed and submitted with APD.

## **12. Production Operations**

- A. Notification:** A first production report will be sent to the BLM within 5 days of first production to establish site security and APD compliance.
- B. Site Security:** Site security plan will be submitted within thirty days of completion.
- C. Water Production:** NTL-2B will be submitted within 60 days of completion. It is anticipated that the water produced will be hauled to the pit located in LaPoint, Utah, Section 8, T 1 S, R 1 E.
- D. Weed Control:** The road and location will be professionally sprayed annually, using EPA approved chemicals, to control noxious weeds.
- E. The tank battery is to be built along the north side of the location. All permanent structures will be painted an approved earthtone color within six months of installation, OSHA required markings are excepted.**

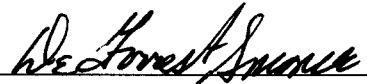
**13. Lessee's or Operator's Representative**

Quinex Energy Corporation  
DeForrest Smouse, President  
465 South 200 West, Suite 300  
Bountiful, Utah 84010  
Phone: (801) 292-3800 or 292-2554

**Certification**

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route: that I am familiar with the conditions which presently exist: that the statements made in this plan are, to the best of my knowledge, true and correct: and the work associated will be performed by Quinex Energy and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Date: 5/17/2005

  
DeForrest Smouse  
Quinex Energy Corporation

**SELF-CERTIFICATION STATEMENT** Please be advised that **QUINEX ENERGY CORPORATION** is considered to be the operator of the Jodie Federal #1-23 located in the NW1/4, NW1/4 of Section 23, Township 9 South, Range 17 East, UTU-80566; Duchesne County, Utah; and is responsible under the terms and conditions of the lease for operations conducted upon the leased lands. Bond Coverage is provided by Wells Fargo Bank, NA; Irrevocable Document of Credit Number NZS499876 in the amount of \$10,000.00.



OLENE S. WALKER  
Governor

GAYLE F. MCKEACHNIE  
Lieutenant Governor

# State of Utah

DEPARTMENT OF NATURAL RESOURCES

Division of Water Rights

ROBERT L. MORGAN  
Executive Director

JERRY D. OLDS  
State Engineer/Division Director

>>>>>>>OFFICIAL RECEIPT<<<<<<<<

RECEIPT No. 04-04079	DATE: September 22, 2004
RECEIVED FROM:	
TU AND FRUM TRUCKING INC DAVID MURRAY, P. O. BOX 146 LAPOINT, UT 84039	

NATURE OF SERVICE:	FEE:
Application to Appropriate 49-2188(T75549)	75.00
TOTAL:	\$75.00

METHOD OF PAYMENT: Cash
RECEIVED BY: BWHITE

RECEIVED  
SEP 22 2004  
WATER RIGHTS  
VERNAL

# TEMPORARY APPLICATION TO APPROPRIATE WATER

Rec. by Bru  
Fee Paid \$ 75.00 cash  
Receipt # 04-04079

## STATE OF UTAH

For the purpose of acquiring the right to use a portion of the unappropriated water of the State of Utah, application is hereby made to the State Engineer, based upon the following showing of facts, submitted in accordance with the requirements of Title 73, Chapter 3, Utah Code Annotated 1953, as amended.

WATER RIGHT NUMBER: 49 - 2188

TEMPORARY APPLICATION NUMBER: T75549

(BWHITE)

\*\*\*\*\*

1. OWNERSHIP INFORMATION:

LAND OWNED? Yes

A. NAME: Tu and Frum Trucking Inc David Murray  
ADDRESS: P. O. Box 146  
Lapoint. UT 84039

B. PRIORITY DATE: September 22, 2004

FILING DATE: September 22, 2004

2. SOURCE INFORMATION:

A. QUANTITY OF WATER: 8.0 acre-feet

B. SOURCE: Green River

COUNTY: Uintah

C. POINT OF DIVERSION -- SURFACE:

(1) N 1,190 feet W 200 feet from SE corner, Section 20, T 11S, R 18E, SLBM

D. COMMON DESCRIPTION: 40 miles southeast of Myton

3. WATER USE INFORMATION:

OIL EXPLORATION: from Oct 1 to Sep 30 drilling and completion of oil/gas wells  
- Oct 1, 2004 to Sep. 30, 2005

Water will be loaded into tank trucks and hauled to place of use.

\*-----\*

4. PLACE OF USE: (which includes all or part of the following legal subdivisions:)

BASE	TOWN	RANG	SEC	NORTH-WEST $\frac{1}{4}$				NORTH-EAST $\frac{1}{4}$				SOUTH-WEST $\frac{1}{4}$				SOUTH-EAST $\frac{1}{4}$			
				NW	NE	SW	SE	NW	NE	SW	SE	NW	NE	SW	SE	NW	NE	SW	SE
SL	9S	17E		Entire TOWNSHIP															
SL	9S	18E		Entire TOWNSHIP															
SL	10S	17E		Entire TOWNSHIP															
SL	10S	18E		Entire TOWNSHIP															
SL	11S	17E		Entire TOWNSHIP															
SL	11S	18E		Entire TOWNSHIP															

## 5. SIGNATURE OF APPLICANT(S):

The applicant(s) hereby acknowledge(s) that he/she/they are citizen(s) of the United States of America or intend(s) to become such a citizen(s). The quantity of water sought to be appropriated is limited to that which can be beneficially used for the purposes herein described. The undersigned hereby acknowledges that even though he/she/they may have been assisted in the preparation of the above-numbered application through the courtesy of the employees of the Division of Water Rights, all responsibility for the accuracy of information contained herein, at the time of filing, rests with the applicant(s).



---

Tu and Frum Trucking Inc David Murray

**SAGEBRUSH CONSULTANTS, L.L.C.**

Cultural Resources • Environmental Studies • Historic Preservation



May 18, 2005

Dr. DeForest Smouse, President  
Quinex Energy Corporation  
465 South 200 West  
Bountiful, Utah 84010

RE: Jodie Federal #1-23, a fourth well in T. 9S., R. <sup>17</sup>~~12~~E., S. 23 near the three listed in Sagebrush Report No. 1393: *A Cultural Resource Inventory of an Access Road for Wells LFW Federal #2-23, DS Federal #3-23 and JDC Federal #4-23, Duchesne County, Utah.*

Dear Dr. Smouse;

Per your request, we have called Blaine Phillips, Archaeologist at the Bureau of Land Management, Vernal Field Office, about cultural resource clearance for Jodie Federal #1-23, a fourth well in T. 9S., R. 17E., S. 23. Mr. Phillips said that we just need to send him a letter stating that the well is located in a previously inventoried area which has already received cultural resource clearance. Accompanying the letter is a map plot of a ten-acre block centered on the center stake location for Jodie Federal #1-23 which you gave to us. A file search recently completed for the three wells also covers the fourth well.

Enclosed please find a copy of the above letter and map faxed and mailed to Blaine Phillips, BLM Archaeologist. Another copy of the letter and map is being sent to Paul Wells in your Roosevelt Office. Please let me know if you have questions or need further information. It has been a pleasure doing work with you. I look forward to continuing to work with you in the future.

Please feel free to call us if you have any questions or need additional information.

Sincerely,

Michael R. Polk  
Principal Archaeologist/Owner

enclosure

**SAGEBRUSH CONSULTANTS, L.L.C.**

Cultural Resources • Environmental Studies • Historic Preservation



May 18, 2005

Blaine Phillips  
Bureau of Land Management  
Vernal Field Office  
170 South 500 East  
Vernal, Utah 84078

RE: *A Cultural Resource Inventory of an Access Road for Wells LFW Federal #2-23, DS Federal #3-23 and JDC Federal #4-23, Duchesne County, Utah. Sagebrush Report No. 1393. Utah State Antiquities Permit No. U-05-SJ-0191b. Cultural Resource Use Permit No. 04UT54630. Addendum - fourth well for Quinex Energy in section 23.*

Dear Blaine;

Quinex Energy said that they were having a fourth well, Jodie Federal #1-23 (823' FWL 563' FWL), staked in T. 9S., R. 17E. S. 23 NW $\frac{1}{4}$ NW $\frac{1}{4}$ , in Duchesne County (Figure 1). The land is administered by the Bureau of Land Management, Vernal Field Office. Sagebrush Consultants recently conducted a cultural resource inventory of the proposed access road corridor for three proposed Quinex Energy wells in the section (U-05-SJ-0191b). The report on the 2005 survey is cited above. Prior to this, there was a cultural resource inventory done for Inland Resources in all of sections 14 and 23 (U-03-MQ-0750b). Sagebrush personnel have examined that report and determined that there have been no cultural resources recorded in area of this fourth well pad.

Please let me know if you have questions or need further information.

Sincerely,

Ann S. Polk  
Senior Archaeologist/Owner

Attachment

cc: DeForest Smouse, President, Quinex Energy Corporation  
Paul Wells, Quinex Energy Corporation



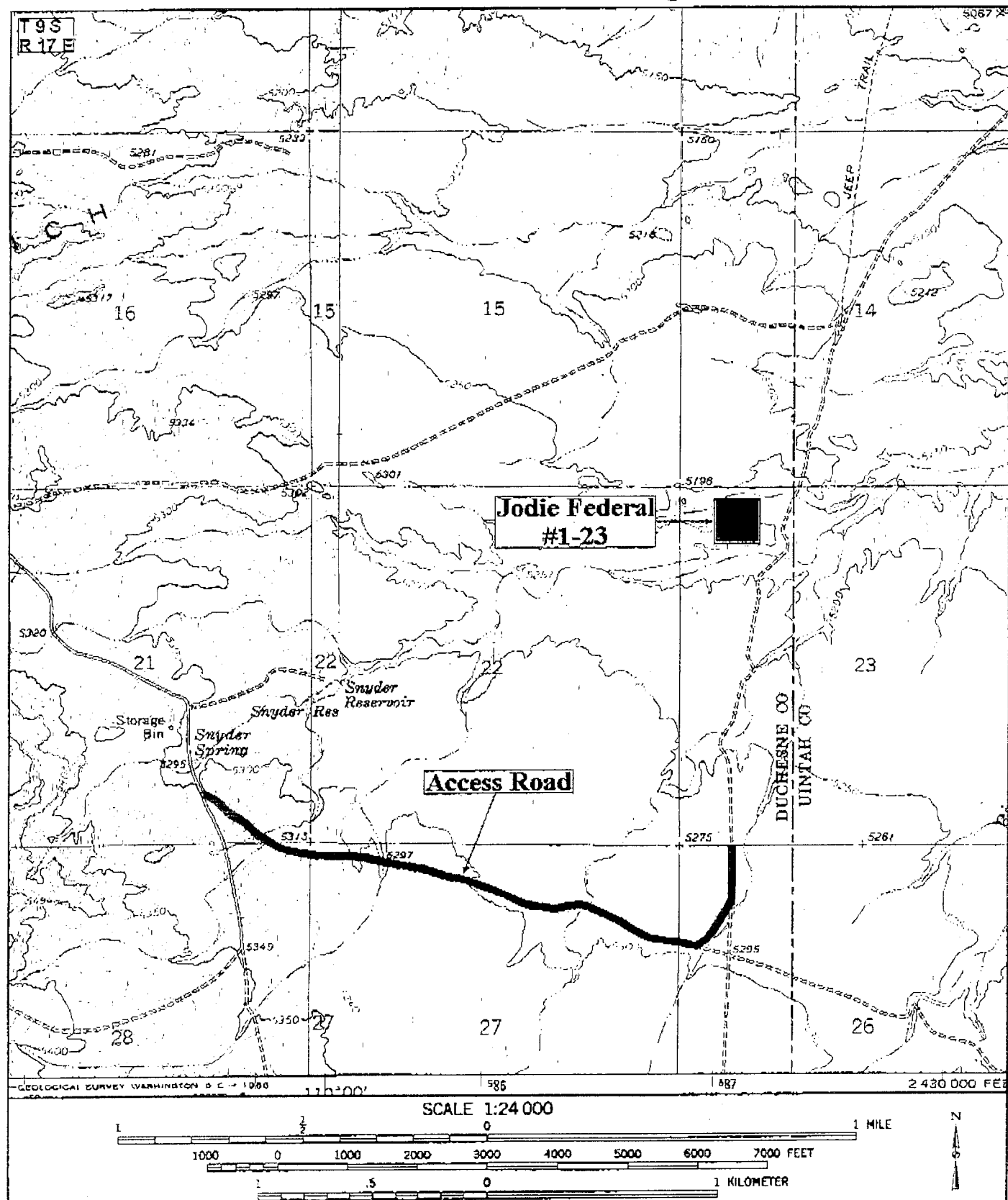


Figure 1. Location of project area for well Jodie Federal #1-23 and an access road surveyed for LFW Federal #2-23, DS Federal #3-23 and JDC Federal #4-23. Taken from USGS 7.5' Quadrangles Myton SE, Utah (1964) & Pariette Draw SW, Utah (1964).

**A CULTURAL RESOURCE INVENTORY OF AN ACCESS ROAD FOR  
WELLS LFW FEDERAL #2-23, DS FEDERAL #3-23 AND JDC FEDERAL #4-23,  
DUCHESNE COUNTY, UTAH**

by

Michael R. Polk  
Principal Archaeologist

Prepared for:

Quinex Energy Corporation  
465 South 200 West  
Bountiful, Utah 84010

Prepared by:

Sagebrush Consultants, L.L.C.  
3670 Quincy Avenue, Suite 203  
Ogden, Utah 84403

Under the Authority of Cultural Resource Use Permit No. 04UT54630

and

Under the Authority of Utah State Antiquities Permit No. U-05-SJ-0191b

Cultural Resource Report No. 1393

April 11, 2005

## INTRODUCTION

In February 2005, Quinex Energy Corporation (Quinex) of Bountiful, Utah, requested that Sagebrush Consultants, L.L.C. (Sagebrush) conduct a cultural resource inventory of three wells, LFW Federal #2-23, DS Federal #3-23 and JDC Federal #4-23, and their associated access roads and pipelines, in Duchesne and Uintah Counties, Utah. The purpose of this inventory is to identify cultural resource sites within the proposed project area.

The proposed well pads, access roads and pipelines are located in T. 9S., R. 17E., S. 14, 21, 23, 26, 27, and 28, on USGS 7.5' Quadrangles Pariette Draw SW, Utah (1964) and Myton SE, Utah (1964) (Figure 1). The locations of the center stakes for the three wells are: LFW Federal #2-23 (1960' FNL 661' FWL), DS Federal #3-23 (1986' FSL 632' FWL) and JDC Federal #4-23 (660' FSL 661' FWL). The proposed upgrade to an existing access road extends south and west into S. 21, 26, 27, 28 and joining an upgraded access road in S. 21, all in Duchesne County. In Uintah County, the proposed alternate access road and a pipeline parallel each other, extending north into S. 14 where they tie into an existing access road and another proposed pipeline.

The well pads and the associated access roads and pipelines lie on lands administered by the Bureau of Land Management (BLM), Vernal Field Office. The cultural resource survey, was carried out only on the portions of the access road south and west of S. 23, by Michael R. Polk on March 24, 2005. The inventory was conducted under the authority of Cultural Resource Use Permit No. 04UT54630 and Utah State Antiquities Permit No. U-05-SJ-0191b.

Prior to conducting fieldwork, a GIS file search for previously recorded cultural resource sites and projects conducted near the current project was completed through Kristen Jensen, of the Antiquities Section, Division of State History, Utah Historic Preservation Office (SHPO), in Salt Lake City, on March 31, 2005. An agency file search was conducted at the BLM, Vernal Field Office, in Vernal by Michael R. Polk and Andrew Williamson on March 23, 2005. Angela Garrison, of Sagebrush, conducted another file search at the SHPO on April 11, 2005. Sagebrush personnel also reviewed General Land Office (GLO) plat maps located in the Public Room of the BLM Utah State Office, Salt Lake City. The National Register of Historic Places (NRHP) was consulted prior to the commencement of fieldwork for the current project. No NRHP sites were found to be in the vicinity of the current project area.

Multiple previous cultural resource projects have been conducted in the vicinity of the project area. Due to the large number of projects conducted in this area, most of them will not be listed below. There are seven cultural resource sites which have been recorded within one mile of the current project area to be surveyed by Sagebrush. Following is a brief description of each site and its associated project.

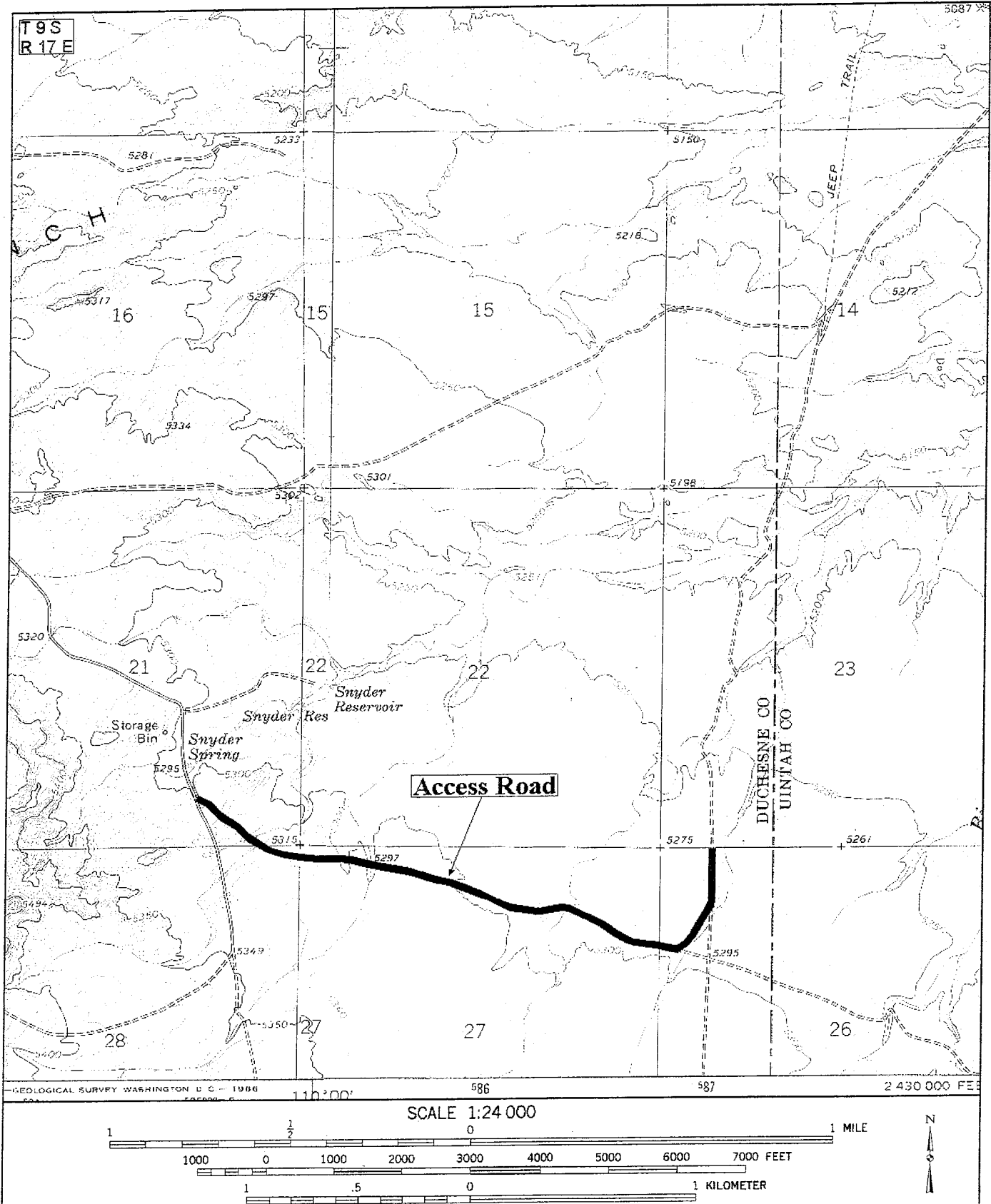


Figure 1. Location of the area surveyed for an access road for wells LFW Federal #2-23, DS Federal #3-23 and JDC Federal #4-23. Taken from USGS 7.5' Quadrangle Myton SE, Utah (1964) and Pariette Draw SW, Utah (1964).

In 2003, a block area was inventoried, including the northern portion of the current project area (Montgomery 2004). Blaine Phillips, BLM Archaeologist, Vernal Field Office, said that this inventory meets the intensive level survey requirement for sections 14 and 23 in the current project area (Phillips, personal communication 2005a). There were two new sites and one previously recorded site documented during the inventory which are within a mile of the current inventory area. The site descriptions are as follows:

**Site 42UN2260.** This Middle Archaic site was revisited during the 2004 inventory. It is a prehistoric open camp and lithic scatter located near low sandstone outcrops. There are scattered fire-cracked sandstone and other rock fragments at the site. A dart point was found in association with a concentration of lithic flakes concentration. Other tools observed at the site include a Duncan-McKean Complex side notched point, a chopper, a mano and mano fragments. The site was recommended Eligible to the NRHP.

**Site 42UN3377.** This is a low density lithic scatter present in a sand dune. It contains 15 flakes in all stages of reduction, with secondary flakes being the most common. Also present was one piece of lithic debitage. There were several milling tools found at the site, including a large rectangular slab metate made of coarse-grained gray-purple quartzite. Another slab metate made of dark gray-brown fine-grained sandstone was also found. Both metates had some wear facets and were lightly shaped. Due to the location of the site in loose sandy deposits, there appears to be potential for buried cultural material at the site. The site was recommended Eligible to the NRHP.

**Site 42UN3381.** This is a large temporary historic camp located on a low finger ridge top. Artifacts at the site consisted of 5 hole -in-top milk cans, several sanitary cans and a log cabin syrup can. A Liberty nickel and a deteriorated axe-cut wood pile were observed at the site. The cans embossed with "SANITARY" were manufactured between 1904 and 1908; the nickel was dated 1905. The site is in fair condition and may date to two different time periods, 1904-1908 and 1915-1930 (milk can type) based on diagnostic artifacts, however it has no integrity. The site was recommended NOT eligible to the NRHP.

In 1998, AERC inventoried block areas near the current project area, including the portions of sections 22 and 15 (Hauck 1998). AERC recorded several sites, three sites of which, 42DC1174, 42DC1175 and 42DC1176, are within a mile of the current survey. The descriptions of these sites is as follows:

**Site 42UN1174.** This site is a prehistoric open camp and lithic scatter located on a low bench. The variety of tools observed at the site include an Elko Eared or Pinto dart point, numerous bifaces, unifaces and preforms. There was chert debitage from all stages of lithic tool production. There is potential for depth of cultural materials at the site. The site was recommended Eligible to the NRHP.

**Site 42UN1175.** This Middle Archaic site is a large prehistoric lithic scatter in a sandy swale elevated above a drainage and its flood plain. The artifacts observed at the site include a

Rocker side notch dart point and a variety of lithic debitage. There is potential for depth of cultural materials at the site. The site was recommended Eligible to the NRHP.

**Site 42UN1176.** This is small lithic scatter located on a bench above a large intermittent drainage. The few artifacts at the site include five flakes and four expediency tools. No features were present. Based upon the limited information potential of the site, it is recommended NOT eligible to the NRHP.

In 1996, AERC inventoried a block area in the South Pleasant Valley Unit and recorded several cultural resource sites, one of which, 42UN2260, is within one mile of the current survey area (Hauck 1996).

**Site 42UN2260.** This Middle Archaic site is a prehistoric open camp and lithic scatter located near low sandstone outcrops. There are scattered fire-cracked sandstone and other rock fragments at the site. A dart point was found in association with a concentration of lithic flakes concentration. Other tools observed at the site include a Duncan-McKean Complex side notched point, a chopper, a mano and mano fragments. The site was recommended Eligible to the NRHP.

In 1981, portions of the proposed access road were inventoried for two different projects in S. 21, 26, 27 and 28 (Tate 1981; Cook 1981). Sagebrush consulted Blaine Phillips, BLM Archaeologist with the Vernal Field Office, about updating the surveys. He requested that Sagebrush inventory those sections of access road to locate and evaluate any cultural resources present within a 100-foot wide corridor for the current project area (Phillips, personal communication 2005b).

In addition, the University of Utah recorded site 42DC346 within a mile of the survey area (University of Utah 1974). This site is described as follows:

**Site 42DC346.** This site is a possible hunting station in a rock shelter containing low stone walls, however no artifacts were located in direct association with the shelter. The walls were collapsed when they were observed in 1977. An unidentified projectile point was found in a wash north of the shelter. The site has not been evaluated for eligibility to the NRHP.

## ENVIRONMENT

The access road surveyed for this project is located in the low rolling dissected tablelands west of the Green River, about 16.4 miles south of Myton, Utah. The elevation of the area surveyed ranges between 5270 and 5320 feet a.s.l. The surface sediments in the area consist of an interfingering of fluvial deposits and thinly bedded Pleistocene lake bed deposits. Soils in these areas are poorly developed and sandy in nature. Sediments consist of tan to light reddish

brown sandy silt mixed with angular rock fragments composed of mudstone, limestone and sandstone. Vegetation in the area covers approximately 10 percent of the ground surface and consists of shadscale community species. Noted species include prickly pear cactus, small sagebrush, greasewood, and winterfat. Seasonally flowing drainages and washes are present in the vicinity of the current project area. These seasonal water sources were, no doubt, the primary source of water in this area historically. The nearest permanent water source is the Green River which is located about 12 miles east of the project area. Another large water source, Pleasant Valley Wash, is located about eight miles north of the survey area.

Natural disturbances in the area consist of sheetwash and aeolian erosion. Cultural disturbances include the construction of existing well pad locations, access roads, and pipelines and impacts from livestock grazing.

## **METHODOLOGY**

An intensive cultural resource inventory was carried out for the proposed upgraded access road in T. 9S., R. 17E., S. 21, 26, 27 and 28 for three Quinex wells, LFW Federal #2-23, DS Federal #3-23 and JDC Federal #4-23. The project area consists of 3.64 km (2.10 mi) of proposed access road corridor. The proposed access corridor was walked in parallel transects spaced no more than 15 m (50 ft) apart to cover a width of 30 m (100 ft). The area surveyed during this cultural resource inventory totaled 10.30 ha (25.45 ac), all on land administered by the BLM.

## **RESULTS**

An intensive cultural resource inventory was carried out for the portion of the access road to be upgraded in T. 9S., R. 17E., S. 21, 26, 27 and 28 for three Quinex wells, LFW Federal #2-23, DS Federal #3-23 and JDC Federal #4-23. No cultural resources were located during this inventory.

## **RECOMMENDATIONS**

Cultural resource clearance is recommended for the surveyed portion of the project area, since no cultural resources were located during the inventory. This investigation was conducted with techniques which are considered to be adequate for evaluating cultural resources which

could be adversely affected by the project. However, should cultural resources be discovered on BLM land during construction, a report should be made immediately to the BLM Archaeologist at the Vernal Field Office in Vernal.

## REFERENCES CITED

Berry, Michael

1974 [IMACS Site Form for Site 42DC346.] On file at the Antiquities Section, Utah State Historic Preservation Office, Salt Lake City.

Cook, Clayton

1981 *Archaeological Reconnaissance of Proposed Well Location Big Wash 23-23 South of Pleasant Valley, Uintah, Utah.* Utah Archaeological Research Corporation, Spanish Fork, Utah. U-81-UB-0682b.

Hauck, F. R.

1996 *Cultural Resource Evaluation of Two Proposed Well Locations in the Castle Peak Draw - Big Wash: Locality of Duchesne and Uintah Counties, Utah.* Archeological-Environmental Research Corporation, Bountiful, Utah. U-96-AF-0774b.

1998 *Cultural Resource Evaluation of Various Large Tracts in the Wells Draw to Pariette Bench Locality in Duchesne and Uintah Counties, Utah.* Archeological-Environmental Research Corporation, Bountiful, Utah. U-98-AF-0164bs.

Phillips, Blaine

2005a Personal Communication. [Conversation on March 23, 2005 at Vernal Field Office between Michael R. Polk of Sagebrush and the BLM Archaeologist regarding a cultural resource inventory for a new project in T. 9S., R. 17E., S. 14 and 23, which is a recently inventoried area]. Notes on file at Sagebrush Consultants, L.L.C., Ogden, Utah.

2005b Personal Communication. [Telephone conversation on April 12, 2005 between Michael R. Polk of Sagebrush and the BLM Archaeologist, Vernal Field Office regarding the cultural resource inventory for an upgraded access road in T. 9S., R. 17E., S. 21, 26, 27 and 28]. Notes on file at Sagebrush Consultants, L.L.C., Ogden, Utah.

Simon, Katie, and Keith R. Montgomery

2004 *Cultural Resource Inventory of Inland Productions Parcel in T 9 S., R. 17 E, Sec. 13, 14, 15, 23, & 24 and T 9 S, R 18 E., Sec. 18 & 19, Duchesne and Uintah Counties, Utah.* Montgomery Archaeological Consultants, Moab, Utah. U-03-MQ-0750b.

Tate, Marcia J.

1981 *Wilkin Ridge Unit 1-27.* Cultural Resource Management Report. Powers Elevation, Denver Colorado. U-81-PA-0814b.



# QUINEX ENERGY CORP.

JODIE FEDERAL #1-23

LOCATED IN DUCHESNE COUNTY, UTAH

SECTION 23, T9S, R17E, S.L.B.&M.



PHOTO: VIEW OF LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHEASTERLY



- Since 1964 -

Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

03 28 05  
MONTH DAY YEAR

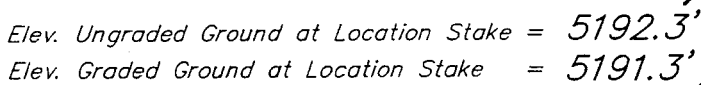
PHOTO

TAKEN BY: A.F.

DRAWN BY: L.K.

REVISED: 00-00-00

JODIE FEDERAL #1-23  
SECTION 23, T9S, R17E, S.L.B.&M.  
563' FNL 832' FWL



UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

# QUINEX ENERGY CORP.

## TYPICAL CROSS SECTIONS FOR

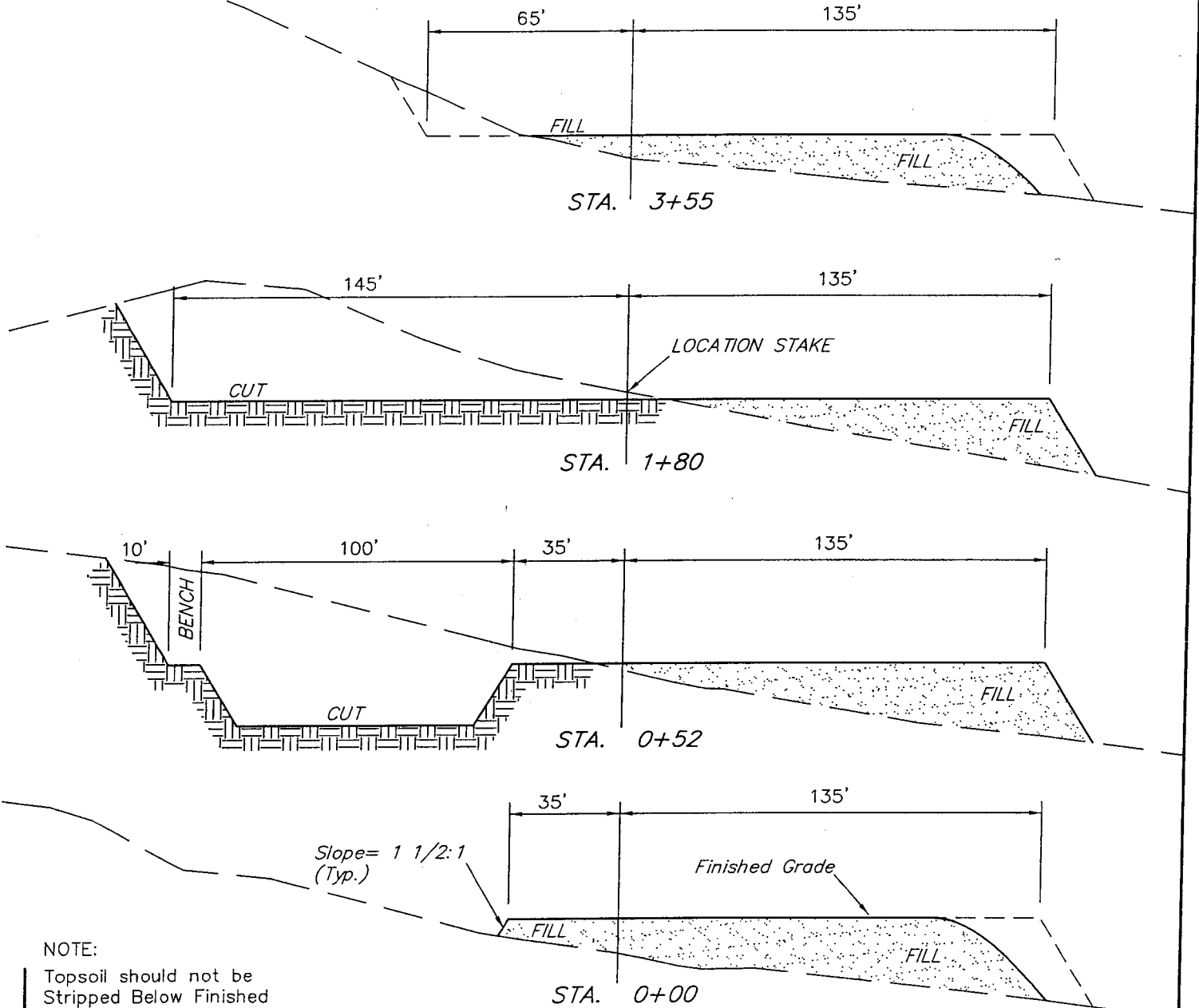
JODIE FEDERAL #1-23  
SECTION 23, T9S, R17E, S.L.B.&M.  
563' FNL 832' FWL

1" = 20'  
X-Section  
Scale  
1" = 50'

DATE: 4-12-05  
Drawn By: K.G.

Preconstruction  
Grade

*[Handwritten Signature]*



### NOTE:

Topsoil should not be  
Stripped Below Finished  
Grade on Substructure Area.

### APPROXIMATE YARDAGES

#### CUT

(6") Topsoil Stripping = 1,960 Cu. Yds.

Remaining Location = 13,410 Cu. Yds.

TOTAL CUT = 15,370 CU.YDS.

FILL = 10,450 CU.YDS.

### \* NOTE:

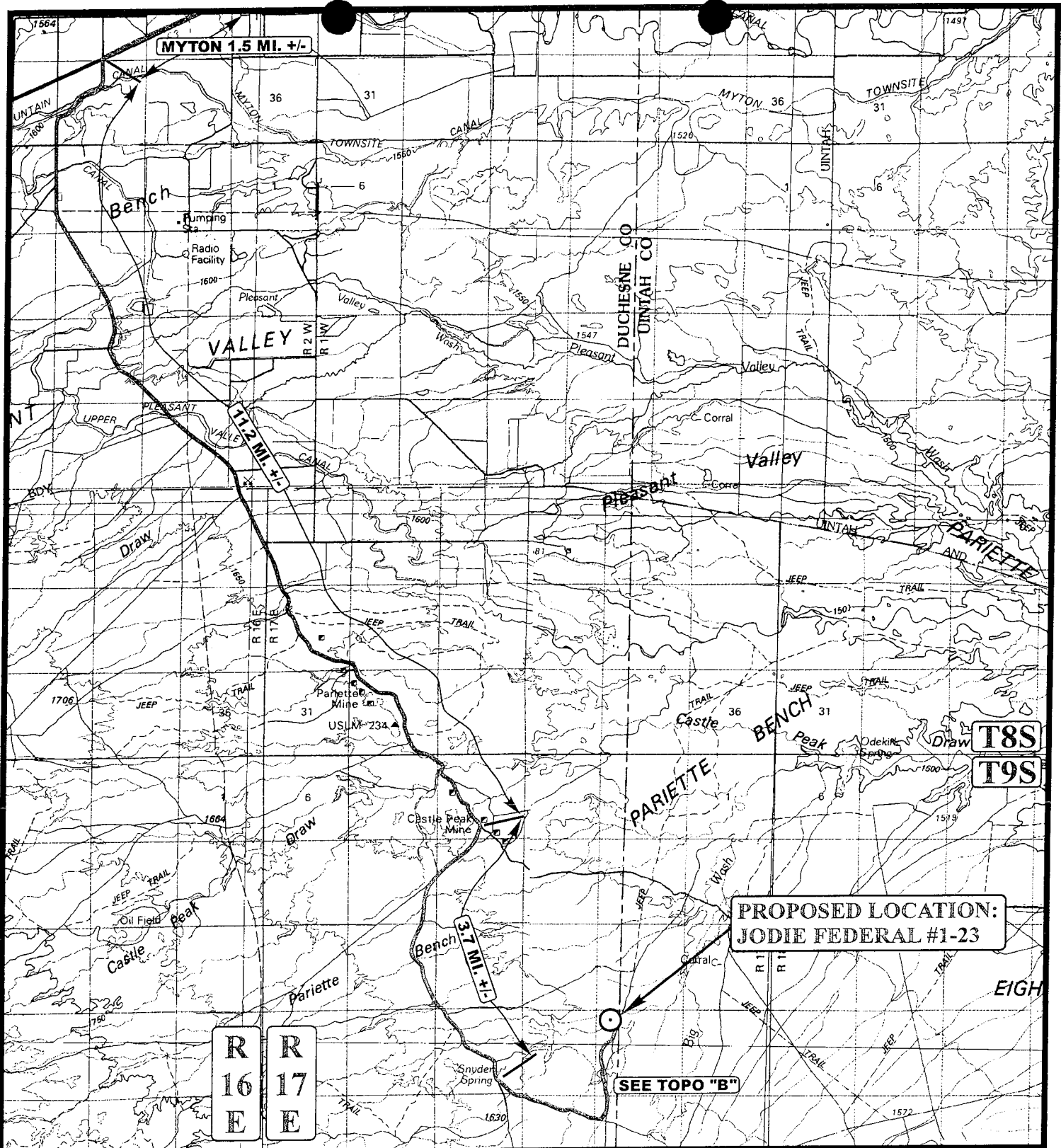
FILL QUANTITY INCLUDES  
5% FOR COMPACTION

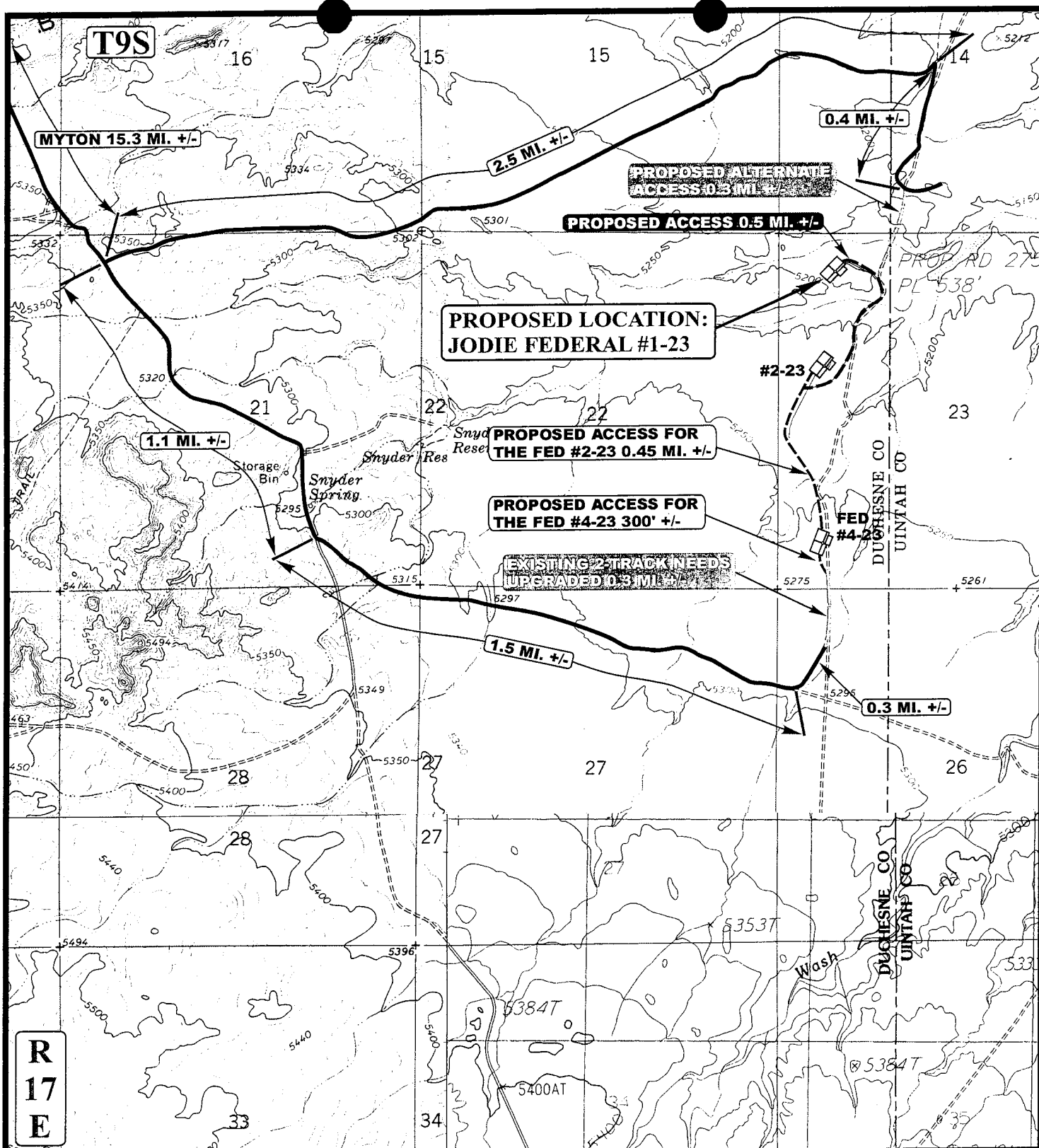
EXCESS MATERIAL = 4,920 Cu. Yds.

Topsoil & Pit Backfill  
(1/2 Pit Vol.) = 3,520 Cu. Yds.

EXCESS UNBALANCE  
(After Rehabilitation) = 1,400 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017





# LEGEND:

	EXISTING ROAD
	PROPOSED ACCESS ROAD
	EXISTING 2-TRACK NEEDS UPGRADED
	PROPOSED ALTERNATE ACCESS



**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813



## QUINEX ENERGY CORP.

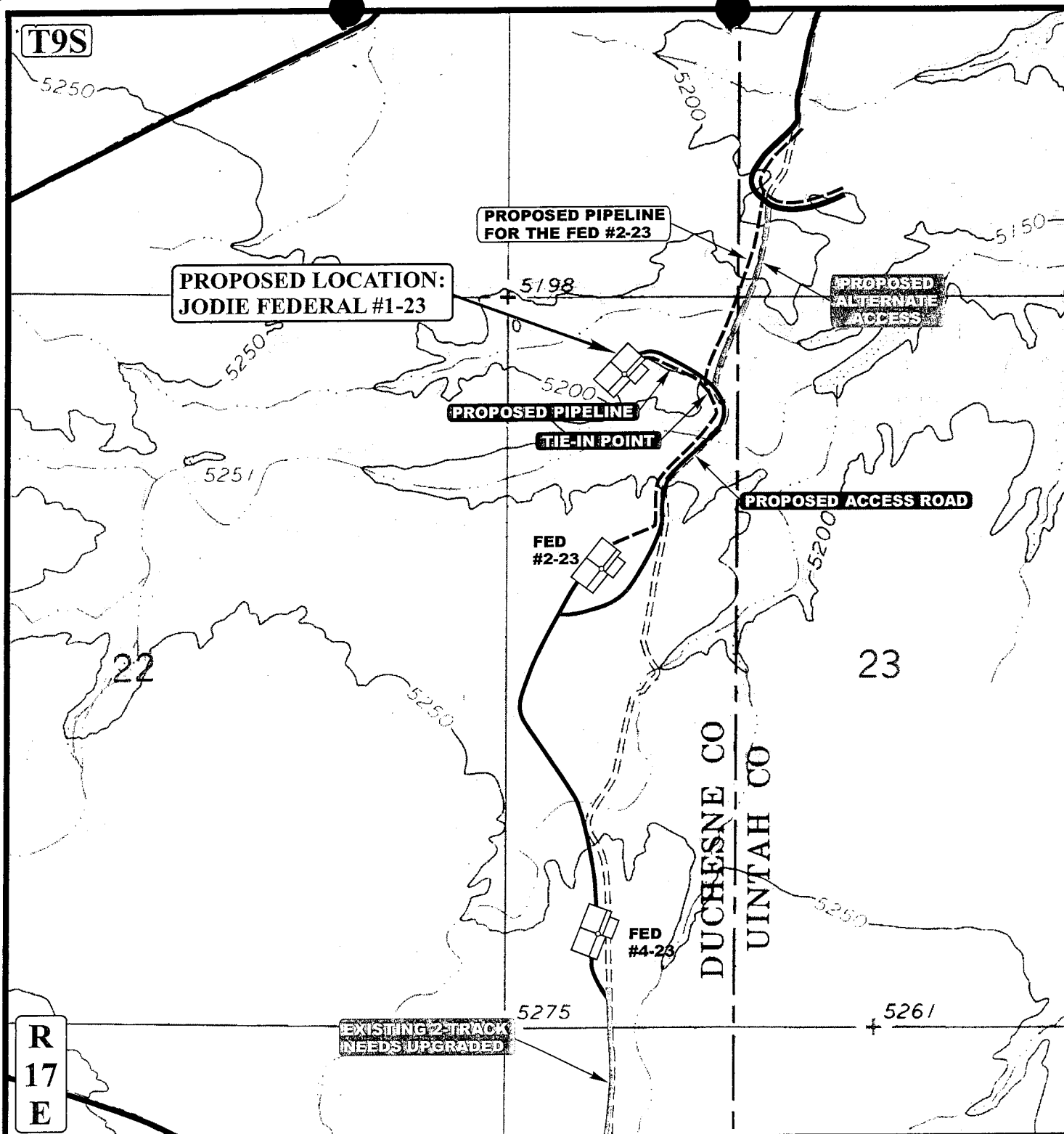
**JODIE FEDERAL #1-23**  
**SECTION 23, T9S, R17E, S.L.B.&M.**  
**563' FNL 832' FWL**

**TOPOGRAPHIC**  
**MAP**

**03** **28** **05**  
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00

**B**  
**TOPO**



APPROXIMATE TOTAL PIPELINE DISTANCE = 540' +/-

**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE

**QUINEX ENERGY CORP.**

**JODIE FEDERAL #1-23**  
**SECTION 23, T9S, R17E, S.L.B.&M.**  
**563' FNL 832' FWL**



**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC**  
**MAP**

**03 28 05**  
 MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: L.K. REVISED: 00-00-00



003

WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 05/19/2005

API NO. ASSIGNED: 43-013-32786

WELL NAME: JODIE FED 1-23

OPERATOR: QUINEX ENERGY CORP ( N9995 )

CONTACT: DEFORREST SMOUSE

PHONE NUMBER: 801-292-3800

## PROPOSED LOCATION:

NWNW 23 090S 170E

SURFACE: 0563 FNL 0832 FWL

BOTTOM: 0563 FNL 0832 FWL

DUCHESNE

MONUMENT BUTTE ( 105 )

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-80566

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: GRRV

COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LATITUDE: 40.02215

LONGITUDE: -109.9797

## RECEIVED AND/OR REVIEWED:

☒ Plat  
☒ Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. NZS499876 )  
☒ Potash (Y/N)  
☒ Oil Shale 190-5 (B) or 190-3 or 190-13  
☒ Water Permit  
(No. 49-2188 )  
☒ RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )  
☒ Fee Surf Agreement (Y/N)

## LOCATION AND SITING:

\_\_\_\_ R649-2-3.  
Unit \_\_\_\_\_  
☒ R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells  
\_\_\_\_ R649-3-3. Exception  
\_\_\_\_ Drilling Unit  
Board Cause No: \_\_\_\_\_  
Eff Date: \_\_\_\_\_  
Siting: \_\_\_\_\_  
\_\_\_\_ R649-3-11. Directional Drill

COMMENTS: \_\_\_\_\_

STIPULATIONS: \_\_\_\_\_

1- Federal Approval  
2- Spacing SLP







**State of Utah****Department of  
Natural Resources**

MICHAEL R. STYLER  
*Executive Director*

**Division of  
Oil, Gas & Mining**

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

May 23, 2005

Quinex Energy Corporation  
465 South 200 West, Suite 300  
Bountiful, Utah 84010

Re: Jodie Federal 1-23 Well, 563' FNL, 832' FWL, NW NW, Sec. 23, T. 9 South,  
R. 17 East, Duchesne County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-013-32786.

Sincerely,

A handwritten signature in cursive script that reads "Don Staley".

A handwritten signature in cursive script that reads "for Gil Hunt".  
Gil Hunt  
Acting Associate Director

jc  
Enclosures

cc: Duchesne County Assessor  
Bureau of Land Management, Vernal District Office

**Operator:** Quinex Energy Corporation  
**Well Name & Number** Jodie Federal 1-23  
**API Number:** 43-013-32786  
**Lease:** UTU-80566

**Location:** NW NW                      **Sec.** 23                      **T.** 9 South                      **R.** 17 East

### **Conditions of Approval**

**1. General**

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

**2. Notification Requirements**

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

**3. Reporting Requirements**

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

**4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.**

**5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.**

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL ☒ GAS WELL ☐ OTHER \_\_\_\_\_

2. NAME OF OPERATOR:  
QUINEX ENERGY CORPORATION

3. ADDRESS OF OPERATOR:  
465 SOUTH 200 WEST BOUNTIFUL UT 84010

PHONE NUMBER:  
(801) 292-3800

4. LOCATION OF WELL  
FOOTAGES AT SURFACE: 563' FNL, 832 FWL Section 23, T 9 S, R 17 E

COUNTY: DUCHESNE

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NW NW 23 9 S 17E

STATE: UTAH

5. LEASE DESIGNATION AND SERIAL NUMBER:  
UTU 80566

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:  
FEDERAL

7. UNIT or CA AGREEMENT NAME:  
FEDERAL

8. WELL NAME and NUMBER:  
JODIE FEDERAL 1-23

9. API NUMBER:  
43-013-32786

10. FIELD AND POOL, OR WILDCAT:  
UNDESIGNATED

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON	
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE	
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL	
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____	
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION		

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

QUINEX ENERGY CORPORATION REQUESTS AN EXTENSION OF THE DRILLING PERMIT FOR THE JODIE FEDERAL #1-23.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 05-30-06

By: [Signature]

NAME (PLEASE PRINT) DeForrest Smouse

TITLE President Quinex Energy Corporation

SIGNATURE [Signature]

DATE 5/26/2006

(This space for State use only)

RECEIVED

MAY 30 2006



**Application for Permit to Drill  
Request for Permit Extension  
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

**API:** 43-013-32786  
**Well Name:** JODIE Federal 1-23  
**Location:** 563' FNL, 832' FWL, Section 23, T 9 S, R 17 E  
**Company Permit Issued to:** QUINEX ENERGY CORPORATION  
**Date Original Permit Issued:** 5/24/2005

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

  
Signature

5/26/2006  
Date

Title: President, Quinex Energy Corporation

Representing: QUINEX ENERGY CORPORATION

RECEIVED  
MAY 30 2006

DIV. OF OIL, GAS & MINING

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 80566
2. NAME OF OPERATOR: QUINEX ENERGY CORPORATION		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: FEDERAL
3. ADDRESS OF OPERATOR: 465 S. 200 W. CITY: BOUNTIFUL STATE: UT ZIP: 84010		7. UNIT or CA AGREEMENT NAME: FEDERAL
PHONE NUMBER: (801) 292-3800		8. WELL NAME and NUMBER: JODIE FEDERAL 1-23
4. LOCATION OF WELL FOOTAGES AT SURFACE: 563' FNL, 832' FWL Section 23, T 9 S, R 17 E. COUNTY: DUCHESNE QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 23 9S 17E STATE: UTAH		9. API NUMBER: 43-013-32786
		10. FIELD AND POOL, OR WILDCAT: UNDESIGNATED

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input checked="" type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

QUINEX ENERGY CORP. INTENDS TO RUN THE 8 5/8" SURFACE CASIN DOWN TO 800'.

10-11-06  
PMT

NAME (PLEASE PRINT) <u>DEFORREST SMOUSE PhD</u>	TITLE <u>PRESIDENT</u>
SIGNATURE <u><i>Dr. Forrest Smouse</i></u>	DATE <u>7/11/2006</u>

(This space for State use only)

Accepted by the  
Utah Division of  
Oil, Gas and Mining

Federal Approval Of This  
Action Is Necessary

RECEIVED  
JUL 14 2006

(5/2000)

Date: 7/14/06  
By: *[Signature]*

(See Instructions on Reverse Side)

DIV. OF OIL, GAS & MINING

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

## SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells or to reenter plugged and abandoned wells.  
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN for such Proposals.

1. Type of Well: OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER:	5. Lease Designation and Serial Number: <b>UTU 80586</b>
2. Name of Operator: <b>QUINEX ENERGY CORPORATION</b>	6. If Indian, Allocated or Tribe Name: <b>FEDERAL</b>
3. Address and Telephone Number: <b>465 South 200 West, Suite 300, Bountiful, Utah 84010</b>	7. Unit Agreement Name: <b>FEDERAL</b>
4. Location of Well: <b>563" FNL, 823' FWL, SECTION 23, T 9 S, R 17 E</b> Footages: <b>NW NW Section 23, T 9 S, R 17 E</b> QQ, Sec., T., R., M.:	8. Well Name and Number: <b>JODIE FEDERAL 1-23</b> 9. AP Well Number: <b>43-013-32786</b> 10. Field and Pool, or Wildcat: <b>UNDESIGNATED</b>
	County: <b>DUCHESNE</b> State: <b>Utah</b>

### 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT (Submit in Duplicate)	SUBSEQUENT REPORT (Submit Original Form Only)
<div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> Abandon  <input type="checkbox"/> Repair Casing  <input type="checkbox"/> Change of Plans  <input type="checkbox"/> Convert to Injection  <input type="checkbox"/> Fracture Treat or Acidize  <input type="checkbox"/> Multiple Completion  <input type="checkbox"/> Other _____           </div> <div> <input type="checkbox"/> New Construction  <input type="checkbox"/> Pull or Alter Casing  <input type="checkbox"/> Recomplete  <input type="checkbox"/> Reperforate  <input type="checkbox"/> Vent or Flare  <input type="checkbox"/> Water Shut-Off           </div> </div>	<div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> Abandon *  <input type="checkbox"/> Repair Casing  <input type="checkbox"/> Change of Plans  <input type="checkbox"/> Convert to Injection  <input type="checkbox"/> Fracture Treat or Acidize  <input type="checkbox"/> Other <u>Drill surface &amp; run 800' of 8 5/8" Surface Casing</u> </div> <div> <input type="checkbox"/> New Construction  <input type="checkbox"/> Pull or Alter Casing  <input type="checkbox"/> Reperforate  <input type="checkbox"/> Vent or Flare  <input type="checkbox"/> Water Shut-Off           </div> </div>
Approximate date work will start _____	Date of work completion <u>September 29, 2006</u>  <small>Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form. * Must be accompanied by a cement verification report.</small>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

Drilled 800' of 12 3/4" hole down to 800' . Ran 800' of 8 5/8" surface. Cemented with sufficient cement to surface.

RECEIVED

OCT 02 2006

DIV. OF OIL, GAS & MINING

13. Name & Signature: DeForrest Smouse, PhD  Title: President, Quinex Energy Date: 9/29/2006

(This space for State use only)

**STATE OF UTAH**  
**DEPARTMENT OF NATURAL RESOURCES**  
**DIVISION OF OIL, GAS AND MINING**

FORM 6

**ENTITY ACTION FORM**

Operator: QUINEX ENERGY CORPORATIONOperator Account Number: N 9995Address: 465 SOUTH 200 WEST, SUITE #300city BOUNTIFULstate UTAHzip 84010Phone Number: (801) 292-3800

## Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-013-32786	JODIE FEDERAL #1-23		NWNW	23	9S	17E	DUCHESE
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	15771	10/20/2006		11/8/06		
Comments: <u>SPUDDED WITH DRYHOLE DIGGER GRPV</u>							

## Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

## Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

## ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

DeForrest Smouse

Name (Please Print)

Signature

President

Title

11/06/2006

Date

(5/2006)

RECEIVED

NOV 06 2006

DIV. OF OIL, GAS &amp; MINING

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐ FORM 8  
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: <input checked="" type="checkbox"/> OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 80566
b. TYPE OF WORK: NEW WELL <input checked="" type="checkbox"/> HORIZ. LATS. <input type="checkbox"/> DEEP-EN <input type="checkbox"/> RE-ENTRY <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> OTHER		6. IF INDIAN, ALLOTTEE OR TRIBE NAME FEDERAL
2. NAME OF OPERATOR: QUINEX ENERGY CORPORATION		7. UNIT or CA AGREEMENT NAME FEDERAL
3. ADDRESS OF OPERATOR: 465 SOUTH 200 EST CITY BOUNTIFUL STATE UT ZIP 84010		8. WELL NAME and NUMBER: JODIE FEDERAL 1-23
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 563' FNL, 896' FWL, Section 23, T9S, R 23 E AT TOP PRODUCING INTERVAL REPORTED BELOW: 432' SAME AS ABOVE AT TOTAL DEPTH: SAME AS ABOVE		9. API NUMBER: 013-32786
10. FIELD AND POOL, OR WILDCAT UNDESIGNATED		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 23 9S 17E
12. COUNTY DUCHESE		13. STATE UTAH

14. DATE SPUNDED: 10/20/2006	15. DATE T.D. REACHED: 11/30/2006	16. DATE COMPLETED: 2/12/2007	ABANDONED <input type="checkbox"/> READY TO PRODUCE <input checked="" type="checkbox"/>	17. ELEVATIONS (DF, RKB, RT, GL): GR--5,193' KB 5,204'
18. TOTAL DEPTH: MD 6,001 TVD -796	19. PLUG BACK T.D.: MD 5,964 TVD -760	20. IF MULTIPLE COMPLETIONS, HOW MANY? * 15 ZONES	21. DEPTH BRIDGE MD PLUG SET: TVD	
22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)			23. WAS WELL CORED? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit analysis) WAS DST RUN? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit report) DIRECTIONAL SURVEY? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit copy)	

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12 3/4"	8 5/8" J 55	24#	0	800	800	G surf		0'	0'
7 5/8"	5 1/2" P119	15.5#	0	6,100	6,001	400 lite		0'	0'
						300 G			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 7/8"	5.350	5.350						

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) GREEN RIVER	5,318	5,165	39	-114	5,318 5,165			Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B) GREEN RIVER	4,532	4,442	862	672	4,532 4,442			Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(C) GREEN RIVER	4,444	4,500	704	760	4,444 4,500			Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(D) GREEN RIVER	4,050	4,353	1,154	851	4,050 4,353			Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
	SEE ATTACHED SHEET

29. ENCLOSED ATTACHMENTS:

- ☒ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☐ DIRECTIONAL SURVEY  
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER: \_\_\_\_\_

30. WELL STATUS:

PRODUC.



## 31. INITIAL PRODUCTION

## INTERVAL A (As shown in Item #28)

DATE FIRST PRODUCED: 2/21/2007	TEST DATE: 2/26/2007	HOURS TESTED: 24	TEST PRODUCTION RATES: →	OIL - BBL: 33.37	GAS - MCF: 10	WATER - BBL: 36.7	PROD. METHOD: rod pump
CHOKE SIZE:	TBG. PRESS. 60	CSG. PRESS. 0	API GRAVITY 32	BTU - GAS	GAS/OIL RATIO 33/10	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

## INTERVAL B (As shown in Item #28)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

## INTERVAL C (As shown in Item #28)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

## INTERVAL D (As shown in Item #28)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

## 32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

BURNED FOR POWER, BOILER TANK &amp; SOLD

## 33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

## 34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Garden Gulch	3,310		Marlstone, Sandstone & Limestone		
Garden Gulch 1	3,497		Marlstone, Sandstone & Limestone		
Garden Gulch 2	3,610		Sandstone & Marlstone		
3 point marker	3,747		Sandstone & Marlstone		
X marker	3,996		Sandstone		
Y marker	4,134		Sandstone		
Douglas Creek	4,462		Sandstone & Dolomite		

## 35. ADDITIONAL REMARKS (Include plugging procedure)

Perforation Record and Completion Record.

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) DeForrest Smouse

TITLE President, Quinex Energy Corporation

SIGNATURE



DATE

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation

- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

\* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

\*\* ITEM 24: Cement Top - Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

# **QUINEX ENERGY CORPORATION**

## **Jodie Federal 1-23**

### **NW,NW, Section 23, T9S, R17E**

**563' FNL, 832' FWL, Section 23, T9S, R17E, Duchesne County, UT**

### **ELEVATION GR- 5192', KB- 5204.6'**

### **SELECTED PERFORATIONS**

The following perforations are selected for the Jodie Federal 1-23 well. Each foot will be shot with 3 shots/foot 120° between shots; using 4" Power Pack perfs for maximum penetration. The shots should be correlated to the gamma ray log of the Litho-Density/ Compensated Neutron, High Resolution Laterlog Array Log.

<b><u>ZONE</u></b>	<b><u>DEPTH</u></b>	<b><u>Shots</u></b>
1	5310, 11, 16, 17, 18	12
2	5280, 82, 84	9
3	5165, 67, 69, 71	15
4	4842, 43, 44'	9
5	4691, 92, 93'	9
6	4530, 32, 33'	9
7	4496, 97, 98, 99, 4500'	15
8	4454, 55, 56, 57'	12
9	4442, 43, 44'	9
10	4350, 51, 52, 53'	12
11	4336, 37, 38, 39'	12
12	4282, 84, 85, 87, 91'	15
13	4219, 20, 22, 24, 26, 28'	18
14	4186, 87, 88, 89, 90'	15
15	4157, 58, 59'	9
16	4062, 63, 64'	9
17	4050, 51, 52, 53, 54, 55, 56, 57, 58, 59'	30
<b>TOTAL PERFORATIONS</b>		<b>195</b>

Frac Zones are - #1 (1, 2, 3)  
                          #2 (4 & 5)  
                          #3 (6, 7, 8 & 9)  
                          - #4 (10, 11, 12, 13)  
                          - #5 (14, 15, 16, 17)

**Jodie 1-23 Completion**  
**December 2006**

7:00-12:00 Moved in 5 frac tanks, 500 bbl capacity & filled with fresh water. 12:00-15:00 Heat water with hot oiler & rig up OWP. Ran in hole & perforated first set of zones ( 5165-71', 5280-84', 5310-18') to be ready for frac. No pressure increase, well stayed constant; no blow or vacuum. 17:30-23:00 Finish heating water to 130 degrees.

12/28/2006 FRAC Zone #1, max pres-2,974, Aver pres-1,600# Ave rate 24.0 bbl/min. Prop 35,325 pounds. SIP = 1,700# PERFS 5,318'-5,166'.

Zone #2 Set HAL-PLUG @ 4,860' Perf 4,844-4,694' FRAC W/Max Pressure =4,125 Average Pressure =2000# Average Rate =22.1 bbl/min. Used 19,353# Prop, ISIP 2,100#.

Zone #3 Set HAL PLUG @ 4,400', PERF 4,533-4,443', FRAC Maximum Pressure-4,577#, Average Pressure =1,737#, Average Rate =42.2 bbl/min PROP = 45,273 pounds, ISIP = 1,800#

Zone #4 Set PLUG @ 4,400'. PERF 4,354-4,219' FRAC MP = 4,560# AP=1,553#, AR = 22.8bbl/min PROP = 56,000 lb. ISI =1,673#

Zone #5 Set Plug @ 4,210' PERF 4,190-4,050' FRAC MP = 2,391# Average Pressure = 2391#, Average Rate =23.6 bbl/min. PROP = 67,580lb ISP = 1,860#.

Started to flow back on 12/28 @ 8:00 A.M. psi = 450#, Flowing Pres dropped to 50 psi in 6 hours. At 9 PM pressure = 0. Choke 30/64, Flowed ½-1" stream @ 7:00AM stream = 2" Open valve ½" stream flowed till 2 PM.

12/29/2006 Moved rig to location. Nipped down wellhead & picked up BOPs. Picked up 4 ¾ " Smith bit, sub, bit sub & tripped in hole to top of Plug @ 4400' & 4860'. Milled out and saw no pressure increase. The plug @4400' had 40' of sand, got some oil & gas in returns. Tripped for new bit to mill out last plug. Shut well in for night.

1/02/2007 Tubing pressure – 200 psi. Blow down well, flowed 10-15 bbl fluid. Tripped out & lay down old bit. Picked up used bit & trip in hole. Mill out bottom plug & tripped to bottom. Circulate bottom up & check for sand – none. Tripped out & lay down bit. Picked up tubing anchor, BHA and ran in hole to 5200'. Rigged up swab equipment & swab well. Made 7 runs. The fluid dropped to 300' Got back 42 bbl fluid. Shut well in for night.

1/10/2007 Tubing pressure 150 psi. Well flowed back about 30 bbl fluid. 1-2% oil. Made 42 swab runs. Last fluid level @ 1100'/ Fluid was about 5% oil

1/11/2007 Tubing pressure 150 psi. Flowed back well making 30 bbls fluid 1-2% oil. Swabbed on well 42 runs, recovered 318 bbl. Fluid level 1100'. About 5% oil.

**1/11/2007     Tubing pressure 150 psi. Fluid level @ surface. Made 10 runs & recovered 122 bbl fluid – 5% oil. Rigged down swab equipment. Set tubing Anchor @ 5265' have 158 joints 2 7/8" J55 tubing. Picked up pump, 4 weight bars, 15 3/4 guided bars, sucker rods, 52 7/8" rods. Shut down for night.**

**1/12/2007     Unfreeze well head, pressure on tubing 150 psi & 200 psi on casing. Picked up polish rod, fill & test tubing to 800#. Stroked up pump & pressured up to 600 psi, Bled off fluid & hanged rods in position. Rigged down Nabors. Wait on motor to run pump jack.**

**From:** "Mike Hebertson" <mike@quinexenergy.com>  
**To:** <CAROLDANIELS@UTAH.GOV>  
**Date:** 8/20/2008 4:03 PM  
**Subject:** Well Information Changes  
**Attachments:** Wells Stat Sheet.xls

The attached spreadsheet contains corrections to Quinex wells that will help update your files

43 013 32786  
Jodie Fed 1-23  
9S 17E 23

RECEIVED

AUG 20 2008

DIV. OF OIL, GAS & MINING

# QUINEX ENERGY CORP

API Well Number	Well Name	County	Qtr/Qtr	Sec	T-R	Ft. NS	NS	Ft. EW	EW	Well Status	Well Type
43-047-31889	ALLRED 2-32A1E	Uintah	SESW	32	1S-1E	660	S	1521	W	POW	Oil Well
43-047-31713	BOWEN-BASTIAN 1-14A1	Uintah	SESW	14	1S-1W	398	S	2030	W	POW	Oil Well
43-013-32162	BRITTANY 4-12A3	Duchesne	C-NE	12	1S-3W	1320	N	1320	E	POW	Oil Well
43-047-31695	CHASEL-SPROUSE 1-18A1E	Uintah	SWNW	18	1S-1E	1516	N	804	W	POW	Oil Well
43-047-31711	CMS 1-13A1	Uintah	NENW	13	1S-1W	1300	N	1530	W	POW	Oil Well
43-047-39983	D.C. FED 1-11	Uintah	NENE	11	11S-20E	839	N	650	E	Permit	Gas Well
43-047-39982	D.C. FED 2-11	Uintah	NENE	11	11S-20E	829	N	621	E	Permit	Gas Well
43-013-32149	DAVID 3-7B2	Duchesne	NWSE	7	2S-2W	1547	S	1749	E	POW	Oil Well
43-047-31874	DEEP CREEK 2-19A2E	Uintah	NWSW	19	1S-2E	2421	S	980	W	POW	Oil Well
43-013-32787	DS FED 3-23	Duchesne	NWSW	23	9S-17E	1986	N	612	W	SI	Oil Well
43-047-39196	HELEN FED 1-26	Uintah	SWNW	26	9S-17E	1367	N	721	W	New Permit	Oil Well
43-047-39195	JANS FED 1-25	Uintah	NWNW	25	9S-17E	660	N	660	W	Permit	Oil Well
43-013-32789	JDC FED 4-23	Duchesne	SWSW	23	9S-17E	600	S	661	W	SI	Oil Well
43-013-31248	JODIE 3-36A3	Duchesne	NWNE	36	1S-3W	752	N	1662	E	POW	Oil Well
43-013-32786	JODIE FED 1-23	Duchesne	NWNW	23	9S-17E	563	N	832	W	POW	Oil Well
43-047-39198	JOELYN FED 1-27	Uintah	CNNW	27	9S-17E	660	N	1320	W	New Permit	Oil Well
43-013-31216	JOHN 2-7B2	Duchesne	NWNW	7	2S-2W	484	N	671	W	POW	Oil Well
43-013-31882	JOHN CHASEL 3-6A2	Duchesne	SWSE	6	1S-2W	660	S	1400	E	SI	Oil Well
43-013-33617	JSW FED 2-26	Duchesne	NWNW	26	9S-17E	660	N	660	W	POW	Oil Well
43-013-33618	JW FED 2-27	Duchesne	NENE	27	9S-17E	656	N	705	E	Permit	Oil Well
43-047-31828	LESLIE TAYLOR 24-5	Uintah	SWNW	24	1S-1W	2450	N	1260	W	POW	Oil Well
43-013-32788	LFW FED 2-23	Duchesne	SWNW	23	9S-17E	1980	N	661	W	POW	Oil Well
43-047-31714	MALNAR-PIKE 1-17A1E	Uintah	SWSW	17	1S-1E	660	S	660	W	POW	Oil Well
43-013-31247	MERLENE 2-36A3	Duchesne	SESE	36	1S-3W	1040	S	1100	E	SI	Oil Well
43-047-31390	MICHELLE UTE 7-1	Uintah	NESW	7	1S-1E	1539	S	2439	W	POW	Oil Well
43-013-30381	UTE TRBL 11-6A2	Duchesne	SENW	6	1S-2W	2227	N	1561	W	POW	Oil Well
43-047-31591	REDCAP J D C 30-4-1A	Uintah	NWNW	30	1S-2E	876	N	669	W	SI	Oil Well
43-047-31653	SAM HOUSTON 24-4	Uintah	NWSE	24	1S-1W	1350	S	1400	E	POW	Oil Well
43-013-32129	SASHA 4-6A2	Duchesne	SWSW	6	1S-2W	660	S	660	W	SI	Oil Well
43-047-31940	EINERSON 1-4B1E	Uintah	SWSW	4	2S-1E	1056	S	795	W	POW	Oil Well
43-013-32131	TRISTAN 5-6A2	Duchesne	NWNW	6	1S-2W	660	N	660	W	POW	Oil Well
43-047-30127	UINTAH-SAM 28-2R	Uintah	NESW	28	1N-1E	2111	S	1847	W	POW	Oil Well
43-013-30042	UTE TRIBAL U 2-12A3	Duchesne	SWSW	12	1S-3W	1322	S	1325	W	SI	Oil Well
43-047-33179	WADE COOK 2-14A1	Uintah	NWNW	14	1S-1W	705	N	662	W	POW	Oil Well
43-047-31845	MARY R. U. 278	Uintah	NWSE	13	1S-1W	1971	S	2072	E	POW	Oil Well

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Field Name	Surface	Mineral	UTM E	UTM N	Elev. GR	Elev. KB	TD	PBTD	
BLUEBELL	Fee	Fee	592565	4466702	5362	5383	12750	12743	
BLUEBELL	Fee	Fee	587831	4471387	5610	5634	14055	13982	
BLUEBELL	Indian	Indian	570808	4473805	6532	6553	15790	15782	
BLUEBELL	Fee	Fee	590665	4472468	5571	5595	14300	14300	
BLUEBELL	Fee	Fee	589279	4472503	5608	5622	14200	14161	
HILL CREEK	Federal	Federal	616404	4415106	5095				
HILL CREEK	Federal	Federal	616412	4415109	5087				
BLUEBELL	Fee	Fee	572323	4463431	5848	5869	13527	13523	
BLUEBELL	Fee	Fee	600377	4470560	5392	5418	13900	13859	
MONUMENT BUTTE	Federal	Federal	587015	4429669	5224	5238	5800	5280	
UNDESIGNATED	Federal	Federal	587054	4428648	5290				
8 MILE FLAT NORTH	Federal	Federal	588644	4428882	5290				
MONUMENT BUTTE	Federal	Federal	587029	4429265	5260	5272	5700	5700	
BLUEBELL	Indian	Indian	570762	4467531	6302	6324	14145	14019	
MONUMENT BUTTE	Federal	Federal	587065	4430504	5192	5204	6001	5967	
UNDESIGNATED	Federal	Federal	585635	4428865	5312				
BLUEBELL	Indian	Indian	571502	4464416	5922	5943	14030	13994	
BLUEBELL	Indian	Indian	572320	4474433	6455	5477	15878	15877	
UNDESIGNATED	Federal	Federal	587033	4428863	5280	5298	5607	5606	
UNDESIGNATED	Federal	Federal	586617	4428863	5282				
BLUEBELL	Fee	Fee	589220	4470543	5497	5518	14022	13990	
MONUMENT BUTTE	Federal	Federal	587019	4430071	5226	5242	5655	5419	
BLUEBELL	Fee	Fee	592230	4471526	5502	5523	14403	13470	
BLUEBELL	Indian	Indian	570933	4466471	6259	6280	13860	13860	
BLUEBELL	Indian	Indian	591145	4473399	5617	5643	14711	14638	
BLUEBELL	Indian	Indian	571672	4475277	6639	6663	16800	13780	
BLUEBELL	Indian	Indian	600302	4469555	5344	5369	13550	13510	
BLUEBELL	Fee	Fee	590012	4470087	5460	5483	13865	13826	
BLUEBELL	Indian	Indian	571441	4474432	6533	6554	15830	15828	
BLUEBELL	Fee	Fee	593962	4465212	5274	5293	12833	12804	
BLUEBELL	Indian	Indian	571397	4475754	6646	6657	16782	16747	
ROBIDOUX	Indian	Indian	594136	4478438	5892	5917	16000	15345	
BLUEBELL	Indian	Indian	570014	4473004	6467	6483	15700	15693	
BLUEBELL	Fee	Fee	587414	4472656	5699	5720	14212	14150	
BLUEBELL	Indian	Indian	589788	4471891	5555	5576	16998	13914	

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DIV OF OIL, GAS & MINING

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET**

**ROUTING**

1. DJJ
2. CDW

**X - Change of Operator (Well Sold)**

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective

**12/1/2009**

<b>FROM: (Old Operator):</b> N9995-Quinex Energy Corporation 465 South 200 West, Suite 300 Bountiful, UT 84010 Phone: 1 (801) 292-3800	<b>TO: ( New Operator):</b> N2695-Newfield Production Company 1001 17th St, Suite 2000 Denver, CO 80202 Phone: 1 (303) 893-0102
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CA No.			Unit: GREATER MONUMENT BUTTE (GRRV)*					
WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
JODIE FED 1-23	23	090S	170E	4301332786	15771	Federal	OW	S
DS FED 3-23	23	090S	170E	4301332787	15772	Federal	OW	P
LFW FED 2-23	23	090S	170E	4301332788	16533	Federal	OW	P
JDC FED 4-23	23	090S	170E	4301332789	16244	Federal	OW	P
JSW FED 2-26	26	090S	170E	4301333617	16514	Federal	OW	P
JW FED 2-27	27	090S	170E	4301333618	17159	Federal	OW	P
JANS FED 1-25	25	090S	170E	4304739195	17160	Federal	OW	P
JOELYN FED 1-27 *	27	090S	170E	4301334072		Federal	GW	APD
HELEN FED 1-26 *	26	090S	170E	4301334073		Federal	GW	APD

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on 12/17/2009
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 12/17/2009
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 11/9/2007
- a. Is the new operator registered in the State of Utah: yes Business Number: 755627-0143
- b. If **NO**, the operator was contacted on:
- a. (R649-9-2) Waste Management Plan has been received on: IN PLACE
- b. Inspections of LA PA state/fee well sites complete or n/a
- c. Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM BIA n/a
- Federal and Indian Units:**  
The BLM or BIA has approved the successor of unit operator for wells listed on: n/a
- Federal and Indian Communization Agreements ("CA"):**  
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 12/19/2009
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 12/19/2009
- Bond information entered in RBDMS on: 12/19/2009
- Fee/State wells attached to bond in RBDMS on: 12/19/2009
- Injection Projects to new operator in RBDMS on: n/a
- Receipt of Acceptance of Drilling Procedures for APD/New on: requested

**BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: WYB000493
- (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number B001834

**COMMENTS:** At this point, 5 of these wells will be within the Greater Monument Butte (GRRV) Unit,  
\*except for 43-013-34072 and 43-013-34073.



STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-80566
2. NAME OF OPERATOR: Newfield Production Company <i>N2695</i>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1001 17th St. Suite 2000 CITY Denver STATE CO ZIP 80202 PHONE NUMBER: (303) 893-0102		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 563 FNL 832 FWL COUNTY: Duchesne		8. WELL NAME and NUMBER: Jodie Fed 1-23
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 23 9S 17E S STATE: UTAH		9. API NUMBER: 4301332786
		10. FIELD AND POOL, OR WILDCAT: Undesignated

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Change of Operator</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Change of Operator to Newfield Production Company from Quinex Energy Corporation pursuant to the inclusion into the Greater Monument Butte Unit and approval of the unit by the BLM. Effective as of 1 DECEMBER, 2009.  
(Bond #WYB000493)

Quinex Energy Corporation *N9995*

*K. M. Hebertson*

Date: 17 DECEMBER 2009

Printed Name: K. M. HERBERTSON

Title: PRESIDENT

465 South 200 West, Suite 300

Bountiful, UT 84010 (801) 292-3800

NAME (PLEASE PRINT) Kelly Donohoue

TITLE Newfield Production Company, Land Lead

SIGNATURE

*Kelly & Donohoue*

DATE

12/16/09

(This space for State use only)

APPROVED 12/19/2009

*Earlene Russell*

(5/2000)

Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

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